

Major Reductions in FY 01-02 Budget Compared to FY 00-01 Budget

<u>Schedule</u>	<u>Department</u>	<u>Agency</u>	<u>Explanation</u>	<u>SGF</u>	<u>TOTAL</u>
01-100	Executive	Executive Office	The Governor's Office of Urban Affairs budget is reduced by \$3,141,677. Its mission is to address the special health, safety, and socio-economic concerns of a significant population of Louisiana's disadvantaged residents living in urban areas to provide resources to help these inner-city dwellers enhance and improve their quality of life. Last year's funding was \$10,380,720 from state general funds. The current budget is \$6,989,043.	(\$3,141,677)	(\$3,141,677)
01-100	Executive	Executive Office	The Office of Rural Development's state general fund reduction for FY 01-02 is \$2,822,162. This office provides grants to fund projects in rural areas of the state. Rural areas are defined as parishes within the state having less than one hundred thousand population, or municipalities within the state having less than thirty-five thousand population, and the unincorporated areas of a parish with a population of over one hundred thousand. Last year's budget was \$8,975,213 and the current budget is \$6,153,051.	(\$2,822,162)	(\$2,822,162)
01-254	Executive	State Racing Commission	A reduction of \$25,844 in self-generated revenues. The Louisiana State Racing Commission was reduced by four positions in the Executive Budget. One of these positions is being cut through attrition and results in a decrease of \$25,844. Three of these positions were for security personnel. Security and Investigations will now be handled through a contract with local law enforcement. This will result in a transfer of \$90,000 from salaries and related benefits to professional services. Therefore, there is only a reduction of \$25,844 in fees and self-generated revenues and a total reduction in T.O. of four. These monies do not revert to the state general fund. The contract will have a net savings of \$25,844 and a reduction of four in the T.O.	\$0	(\$25,844)
Major Reductions Executive Department				(\$5,963,839)	(\$5,989,683)
04-160	Elected Officials	Dept. of Agriculture - Agricultural and Environmental Sciences	Statutory dedication reduction of \$1,435,851 to reflect correct level of funding. Formosan Termite Initiative funded at \$3.4 million in the current year. Based on department activities, only \$2 million is needed for FY 01-02.	\$0	(\$1,435,851)
Major Reductions Elected Officials				\$0	(\$1,435,851)
05-251	Economic Development	Office of the Secretary	In the Executive Budget four positions are being cut from the Office of the Secretary in the Department of Economic Development. These positions are being eliminated through personnel reductions of already vacant positions. These positions became vacant in 2000 due to the possible reorganization of the agency.	(\$352,592)	(\$352,592)

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05-252	Economic Development	Office of Commerce and Industry	In the Executive Budget the Office of Commerce and Industry was reduced by two positions. This will result in a reduction of \$91,919 in state general funds. The positions are currently vacant.	(\$91,919)	(\$91,919)
			Major Reductions Economic Development	(\$444,511)	(\$444,511)
06-261	Culture, Recreation and Tourism	Office of the Secretary	Reduced funding for the Atchafalaya Trace Commission. The Commission is charged with the promotion of the trace area. The budget for last year was \$543,245 and the budget for FY 01-02 is \$500,000.	(\$30,000)	(\$30,000)
			Major Reductions in Culture, Recreation and Tourism	(\$30,000)	(\$30,000)
08-xxx	Public Safety and Corrections	Public Safety - Department Wide	Attrition adjustments of the Office of Management and Finance (-4), Office of State Police (-16), and Office of Motor Vehicles (-10). These reduction adjustments were made to fund salary annualizations for FY 01-02.	\$0	\$0
08-403	Public Safety and Corrections	Corrections - Office of Youth Development	Decrease in state general funding of \$1 million for Swanson Correctional Center for Youth-Madison Parish Unit.	(\$1,000,000)	(\$1,000,000)
08-403	Public Safety and Corrections	Corrections - Office of Youth Development	Reduces \$1,756,733 in state general funding for salaries, operating services and operating supplies along with 31 positions due to a projected reduction of 108 beds at the Swanson Correctional Center for Youth-Madison Parish Unit within the Office of Youth Development. Corrections officials have noticed a recent downward trend in the need for secure care beds and feel that with these reductions they will still have a sufficient number of beds to cover their needs.	(\$1,756,733)	(\$1,756,733)
08-409	Public Safety and Corrections	Corrections - Dixon Correctional Institute	Eliminates \$1,186,226 in state general funds and \$66,927 in interagency transfers (along with 24 positions) from DHH for the Blue Walters Program, a 140 bed substance abuse treatment facility at Dixon Correctional Institute. Although the Blue Walters Program has been closed at Dixon Correctional Institute, the Orleans Parish Prison has opened a similar substance abuse treatment program and is treating state inmates who would have been candidates for the program at Dixon Correctional Institute. The state is paying the sheriff \$22.39 per day for each state inmate in this program.	(\$1,186,226)	(\$1,253,153)

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08-451	Public Safety and Corrections	Corrections - Sheriffs' Housing of State Inmates	Reduces \$4,372,207 in state general funding for 535 beds in the Sheriffs' Housing of State Inmates budget as a result of Act 1163 of the 2001 Regular Session. An additional \$585,825 in state general funds for the Field Services Program in Probation and Parole to electronically monitor approximately 535 repeat DWI offenders is also a part of Act 1163. The Act also requires at least six weeks of substance abuse treatment and from one to five years of home incarceration for repeat DWI offenders in lieu of a prison sentence of one to five years.	(\$4,372,207)	(\$4,372,207)
08-451	Public Safety and Corrections	Corrections - Sheriffs' Housing of State Inmates	A reduction of \$1,225,853 in state general funding for 150 beds in the Sheriffs' Housing of State Inmates budget due to drug court expansions. A companion amendment added \$323,000 to Probation and Parole for five additional officers. Also the Office of Addictive Disorders received an additional \$2.8 million in Temporary Assistance for Needy Family (TANF) funding for transfer to the Supreme Court to increase the number of services in existing drug courts and to expand the number of drug courts.	(\$1,225,853)	(\$1,225,853)
08-451	Public Safety and Corrections	Corrections - Sheriffs' Housing of State Inmates	Reduces \$900,000 in state general funding in the Sheriffs' Housing of State Inmates budget. These funds were used to restore funding for the Ware Detention Center within the Office of Youth Development.	(\$900,000)	(\$900,000)
08-451	Public Safety and Corrections	Corrections - Sheriffs' Housing of State Inmates	Reduces state general funding for Sheriff's Housing of State Inmates as a result of Act 403 of the 2001 Regular Session which reduces mandatory minimum sentences for certain nonviolent offenders and provides for possible parole of nonviolent inmates. The Department of Corrections estimates that approximately 1,200 inmates could be released resulting in a cost savings of approximately \$5 million.	(\$5,095,460)	(\$5,095,460)
08-451	Public Safety and Corrections	Corrections - Sheriffs' Housing of State Inmates	Reduces state genial funding for Sheriffs' Housing of State Inmates as a result of Act 1139 of the 2001 Regular Session which provides for home incarceration and electronic monitoring in lieu of prison sentences for certain offenders. The Department of Corrections estimates that approximately 925 inmates could be sentenced to home incarceration instead of prison, resulting in a cost savings of approximately \$5 million.	(\$4,984,909)	(\$4,984,909)
Major Reductions in Public Safety and Corrections				(\$20,521,388)	(\$20,588,315)

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09-319	Health and Hospitals	Villa Feliciana Medical Complex	Elimination of one unclassified vacant position (physician). Villa has five unclassified positions - all physicians. The reduction of the one vacant position was submitted by Villa for the Budget Adjustment Decision Package (\$195,188 in SGF). In addition, the DOA reduced another unclassified position and related funding (\$125,809 in IAT), leaving Villa with only three physicians. Four physicians at Villa are essential for continued services, so DOA agreed to swap a classified position for the unclassified position, but without the related funding.	(\$125,809)	(\$125,809)
09-326	Health and Hospitals	Office of Public Health	Reduction in state match for federal Ryan White grant funds. Ryan White requires state matching funds equal to 50% of the federal grant expenditures. This reduction will possibly result in fewer HIV prevention services. There is the possibility that treatment services may also be reduced in the event the reductions to the LSU-Health Care Services Division (HCSD) are sustained and the hospitals are unable to provide the necessary state match. Last year's budget for Ryan White spending was approximately \$21.9 million. (\$14.6 million in federal funding.)	(\$1,386,273)	(\$1,386,273)
09-351	Health and Hospitals	Office for Addictive Disorders	A reduction of \$229,798 in state general funds and \$598,965 in federal funds. Attrition adjustment and personnel reduction with associated funding in the Administration Program (two vacant positions) and the Prevention and Treatment Program (ten vacant positions). Ten positions will be reduced through attrition (\$727,867 and two positions will be reduced by personnel reductions (\$100,986). Remaining intact is 29 positions in the Administration Program and 436 positions in the Prevention and Treatment Program.	(\$229,798)	(\$828,763)
Major Reductions Department of Health and Hospitals				(\$1,741,880)	(\$2,340,845)
10-355	Social Services	Office of Family Support	Reduces \$107,000 in SGF and \$209,000 in federal funds to reduce the clerks of court for child support enforcement activities to the level of required effort.	(\$107,000)	(\$316,000)
10-355	Social Services	Office of Family Support	Reduction in federal funds to reflect the completion of a welfare reform computer upgrade contract.	\$0	(\$6,320,000)
10-355	Social Services	Office of Family Support	Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01 reducing the required Family Independence Temporary Assistance Program (FITAP) maintenance of effort from 80% to 75%. A provision in the TANF regulations allows states to decrease their required State Maintenance of Effort (MOE) funds from 80% or	(\$3,964,342)	(\$3,964,342)

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			\$59.1 million to 75% or \$55.4 million of the 1994 spending levels. This is allowed because DSS met their FIND Work participation requirements.		
10-355	Social Services	Office of Family Support	A reduction in federal funds to the Temporary Assistance to Needy Families (TANF) payments to reflect continuing decline in TANF caseload and similar reductions to Find WORK and Transportation services to reflect the declining caseload. This is not a reduction in services but an effort to align projected expenditures with the existing caseload. (30,000 TANF Caseload - \$12,595,662) (Find Work and Transportation - \$7,198,813)	\$0	(\$19,794,475)
10-370	Social Services	Office of Community Services	The Louisiana Children's Fund serves as the primary focus for child abuse and neglect prevention efforts in the state. Services are provided through community-based organizations that help strengthen families and reduce the risk of child abuse and neglect. The current year level of grants awarded is 175. This adjustment will reduce the number of grants awarded to 156. Current year funding allocated for grants is approximately \$1.5 million and will decrease to \$1.3 million.	(\$175,000)	(\$175,000)
10-370	Social Services	Office of Community Services	\$200,000 reduction to state match for Title XIX Home and Community Based waiver slots, \$112,388 for Court Improvement Contracts, and \$300,000 for legal fees. Title XIX waiver slots - DHH has not billed DSS (OCS) to date for current year or prior year waiver slots. Note: In the event DSS is billed for these services, the funding allocated for this expense will not be available as per DSS. [\$300,000 - This funding is for the reimbursement of legal fees for children or indigent parents, but not both.] [\$112,388 - This funding is for Court Improvement Contracts committed to court improvement projects.]	(\$912,388)	(\$912,388)
10-374	Social Services	Rehabilitation Services	A reduction of \$1,217,373 in state general funds and \$4,502,226 in federal funding to Vocational Rehabilitation Services and program income based on prior expenses. Only order of Selection Group I and Order of Selection Group II consumers will be served.	(\$1,217,373)	(\$5,719,599)
			Major Reductions Department of Social Services	(\$6,376,103)	(\$37,201,804)
11-431	Natural Resources	Office of the Secretary	Federal funding reduction due to the expiration of the NICE 3 federal grant in Sept. of 2000. The software produced by this project reduced energy consumption and emissions in petroleum refineries by continuously guiding the plant controls to near optimum conditions.	\$0	(\$244,597)

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11-431	Natural Resources	Office of the Secretary	Reduction in federal funding due to the completion of contracts with the following: Stripper Well - (\$226,006) Research project utilization and new type of trawl door for shrimpers. Provided assistance to rural communities on the operations of water systems to reduce energy usage. Exxon - (\$1,494,982) Funding provided to colleges and universities for projects such as Clean City Inventory, Energy Efficiency Improvements in Chemical Plants, and Distance Learning Projects. Office of Hearing and Appeals (OHA) - (\$156,238) Statewide recycling contract. Diamond Shamrock - (\$41) Funds depleted for energy related contracts that were completed.	\$0	(\$1,877,267)
11-431	Natural Resources	Office of the Secretary	Interagency transfer funding reduction due to the completion of a three year grant to identify and remove underwater obstructions. IAT funds are from the Department of Wildlife and Fisheries (original source of funds is federal).	\$0	(\$497,700)
			Major Reductions Department of Natural Resources	\$0	(\$2,619,564)
13-xxx	Environmental Quality	Department wide	A net reduction of 22 positions from current year (including the movement of 18 positions from Municipal Facilities Ancillary schedule to DEQ operating schedule). This reduction will eliminate vacant positions and is not anticipated to significantly affect the department's operations.	\$0	\$0
13-851	Environmental Quality	Environmental Compliance	Reduces state general fund monies for taking of mercury samples by \$30,526. According to discussions with DEQ, the department should be able to conduct this program at approximately the same level in FY 02 with the proposed reductions;' however, the department has indicated that additional mercury samples may need to be taken given the extent of mercury contamination found in state waters. This reduction would preclude the additional effort which would be taken to sample and test these waters.	(\$30,526)	(\$30,526)
			Major Reductions Department of Environmental Quality	(\$30,526)	(\$30,526)
14-475	Labor	Office of Workers' Compensation	Statutory dedication decrease. The Office of Workers' Compensation was cut ten positions. All of these positions were cut in the Injured Workers' Benefit Program. Six of these positions will be reduced through attrition and will result in a decrease in statutory dedications of \$159,348. Four of the positions will be cut through personnel reductions and will result in a decrease of \$152,348 of statutory dedications. These funds do not revert to the state general fund.	\$0	(\$311,866)

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14-747	Labor	Office of Workforce Development	Decrease of \$110,296 in state general funds, \$221,434 in statutory dedications and \$2,075,112 in federal funds. The Office of Workforce Development was reduced by 62 positions. Each department experienced the following cuts in T.O. and funding: Administration - two positions and \$136,011 in federal funds; Management and Finance - 18 positions and \$285,299 in federal funds; Occupation Information System - 32 positions and \$1,500,000 in federal funds and \$110,296 in state general funds; Unemployment Benefits - four positions and \$153,802 in federal funds; Worker Protection - 6 positions and \$221,434 in statutory dedications.	(\$110,296)	(\$2,406,842)
Major Reductions Department of Labor				(\$110,296)	(\$2,718,708)
19-610	Higher Education	LSUHSC - Health Care Services Division	Reduction in interagency transfer. As part of target cuts in the Executive Budget, the Health Care Services Division (HCSD) was reduced 11.5% in Uncompensated Care IAT, 14.6% in state general fund direct, and 1,313 positions. These DOA cuts were partially restored through DOA and the legislature, with the HCSD still realizing \$2.0 million in Uncompensated Care reductions. HCSD has not yet provided information that addresses how they will compensate for this reduction. Uncompensated Care (UCC) is a funding mechanism that allows HCSD to be reimbursed for providing care to the uninsured and underinsured. UCC represents roughly 70% of HCSD's budget.	\$0	(\$2,006,372)
Major Reductions Higher Education				\$0	(\$2,006,372)
19-672	Other Education/ Special Schools	Louisiana Systemic Initiative Program (LaSIP)	Reduction in interagency transfer funding due to the discontinuation of funding from BESE for professional development projects. LaSIP's mission is to provide professional development opportunities for teachers and others in the educational field. Such professional development opportunities are designed to improve the quality of science and mathematics education in Louisiana.	\$0	(\$1,000,000)
19-672	Other Education/ Special Schools	Louisiana Systemic Initiative Program (LaSIP)	Reduction in federal funding to reflect changes in Quest Grant participant stipends. LaSIP's mission is to provide professional development opportunities for teachers and others in the educational field. Such professional development opportunities are designed to improve the quality of science and mathematics education in Louisiana.	\$0	(\$109,612)
Major Reductions Other Education/Special Schools				\$0	(\$1,109,612)

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19-678	Department of Education	State Activities	Reduction in Interagency transfer of 8(g) funding in the Office of Student and School Performance due to excess budget authority. The reduction will better reflect historical expenditure patterns.	\$0	(\$1,100,000)
19-681	Department of Education	Subgrantee Assistance	Reduction in federal funding in Title III Technology Literacy Challenge Fund Grant within the Office of Classroom Technology. These funds are to be used to help build a technology infrastructure to support Louisiana's students and to help provide professional development to teachers. In FY 00 01 there is \$15,182,547 budgeted in Title III funds for these purposes. As a result of this decrease the budget for FY 01-02 will be \$14,798,841.	\$0	(\$383,706)
19-681	Department of Education	Subgrantee Assistance	A reduction in 8(g) interagency transfer funding from BESE for Distance Learning. This reduction was provided for in the Executive Budget and is a result of excess budget authority; there will be no reduction in services to the local school districts. Distance Learning provides students and teachers the opportunity to access needed courses and appropriate curriculum and enrichment programs utilizing technology systems. The amount of 8(g) funds budgeted for Distance Learning in FY 00-01 is \$1,146,804; this reduction will decrease the allotted amount to \$929,140.	\$0	(\$217,664)
19-681	Department of Education	Subgrantee Assistance	A decrease in federal funding in the amount of \$16,336,459 for the School Breakfast Program within the Office of School and Community Support. This program offers meal reimbursement on an income-based sliding scale for public and nonpublic school students. The decrease is to bring expenditures back in line with the previous years' actual expenditures. A decrease in federal funding in the amount of \$3,697,412 for the Snacks Program within the Office of School and Community Support. This programs offers reimbursement for after-school snacks on an income-based sliding scale for public and nonpublic school students. The snacks offered include items such as milk, sandwiches and fruit. The decrease is to bring expenditures back in line with the previous years' actual expenditures. The Department currently has \$206,084,780 budgeted for the School Breakfast, School Lunch and School Snacks program.	\$0	(\$20,033,871)
19-695	Department of Education	Minimum Foundation Program	State general funds are decreased from the MFP Formula. The Executive Budget proposed a \$70,437,549 increase in state general funds for a \$1,000 pay raise for teachers contingent upon gaming revenues. The MFP formula was increased by \$96.8 million due to the gaming	(\$12,858,610)	(\$12,858,610)

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			revenues and a reduction of \$12,858,610 in state general funds to the MFP Formula. The funds provided from gaming revenues and the growth of approximately \$65 million in the MFP Formula will provide a \$2,000 pay raise.		
19-695	Department of Education	Minimum Foundation Program	Provides \$3.3 million in interest earnings from the Lottery Proceeds Fund for the Minimum Foundation Program (MFP) formula. A reduction of state general funds of the same amount is being reduced from the MFP formula.	(\$3,294,275)	\$0
			Major Reductions Department of Education	(\$16,152,885)	(\$34,593,851)
			Major Reductions to Act 12 of 2001	(\$51,371,428)	(\$111,109,642)

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Major Reductions in FY 01-02 Budget Compared to FY 00-01 Budget

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Major Reductions in FY 01-02 Budget Compared to FY 00-01 Budget

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Major Reductions in FY 01-02 Budget Compared to FY 00-01 Budget

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Major Reductions in FY 01-02 Budget Compared to FY 00-01 Budget

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Major Reductions in FY 01-02 Budget Compared to FY 00-01 Budget

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Major Reductions in FY 01-02 Budget Compared to FY 00-01 Budget

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Major Reductions in FY 01-02 Budget Compared to FY 00-01 Budget

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Major Reductions in FY 01-02 Budget Compared to FY 00-01 Budget

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